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Federal Communications Commission  
Washington, D.C. 20554

JUN 30 1994  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
 )  
Administration of the ) CC Docket No. 92-237  
North American Numbering Plan ) Phases One and Two

**REPLY COMMENTS OF NEXTEL COMMUNICATIONS, INC.**

Nextel Communications, Inc. ("Nextel") hereby submits its Reply Comments to the Federal Communications Commission's (the "Commission") Notice of Proposed Rulemaking regarding the future administration of the North American Numbering Plan ("NANP").<sup>1/</sup> The wide variety of commenters addressing these issues attest to the level of industry interest in establishing an efficient framework for administering scarce numbering resources.

**I. THE CURRENT NANP ADMINISTRATOR MUST SUBMIT A REPORT IDENTIFYING ITS ACTIVITIES AND ADMINISTRATIVE COSTS**

No decision can be made regarding the future administration of the NANP without an accounting by the current Administrator of its activities, staffing levels and NANP-related costs.<sup>2/</sup> Without this crucial information, the Commission and the public cannot make rational decisions regarding appropriate functions for the new NANP Administrator ("NANPA") and the available methods for cost recovery.

At this time, the full scope of Bellcore's ministerial functions and the specific costs of administering the NANP are not a matter of public record. This undercuts

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<sup>1/</sup> See Notice of Proposed Rulemaking, Administration of the North American Numbering Plan - Phases One and Two, CC Docket No. 92-237 (FCC 94-79) (released April 4, 1994) ("Notice").

<sup>2/</sup> See Comments of Nextel at 3.

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the objectives of this rulemaking proceeding as commenters are being asked to propose a new regulatory framework for number administration without access to accurate information on the processes, the levels of management and personnel, and the nature and level of costs incurred. As a result, most commenters make only general references to creating an independent third-party administrator, or suggest the involvement of pre-existing associations or industry groups in NANP policy issues.<sup>3/</sup>

The Commission and the industry must be informed as to processing, resources, staffing and costs involved in the numbering assignment and long-term planning functions undertaken by Bellcore. Only then will interested parties be able to recommend constructive alternatives that will foster an efficient, responsive and equitable regulatory process for managing numbering resources.

Moreover, without a detailed understanding of the costs involved in number administration, and knowledge of how costs currently are allocated to beneficiaries of the Administrator's activities, improved methods of cost recovery cannot be recommended. Commenters cannot propose fair apportionment methods if they are not aware of how Bellcore apportions NANPA costs and whether certain activities relate only to particular telecommunications industry segments, or are otherwise service-specific.

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3/ See e.g. Comments of Ad Hoc Telecommunications Users Committee at 2; Comments of AirTouch Communications at 4; Comments of the Alliance for Telecommunications Industry Solutions at 1-2; Comments of American Mobile Telecommunications Association, Inc. at 4; Comments of Bell Atlantic at 2; Comments of the Cellular Telecommunications Industry Association at 3; Comments of McCaw Cellular Communications at 2; Comments of the National Exchange Carrier Association, Inc. at 2-3; Comments of Personal Communications Association at 2.

## II. A POLICY BOARD MUST PROVIDE STRONG, PRO-COMPETITIVE DIRECTION FOR THE NANPA

The comments evidence overall support for the establishment of a Policy Board responsible for providing direction to the NANPA. Most segments of the telecommunications industry support creation of a Policy Board empowered to formulate rules and policies for numbering administration.<sup>4/</sup>

The current NANP Administrator, Bellcore, has rarely, if ever, been held accountable by the Commission for its numbering administration decisions. As the industry evolves towards a more competitive structure, it is increasingly plain that Bellcore, by the very nature of its ownership and organization, cannot be expected to formulate broad, consensus-based numbering policies. Accordingly, Nextel's comments advocated direct Commission oversight and chairmanship of the Policy Board.<sup>5/</sup> Without a Commission-chaired Policy Board to direct the activities of the

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4/ Support for the formation of a Policy Board charged with ensuring Commission directives are carried out in the assignment and use of numbering resources is reflected in the comments of Local Exchange Carriers, small telephone companies, Interexchange Carriers, wireless service providers and competitive access providers. See e.g. Comments of AirTouch Communications at 2-3; Comments of the Alliance for Telecommunications Industry Solutions at 1; Comments of the American Mobile Telecommunications Association, Inc at 5; Comments of American Personal Communications at 3-5; Comments of AT&T at 10; Comments of Ameritech Operating Companies at 3; Comments of Bell Atlantic at 4-5; Comments of Cellular Telecommunications Industry Association at 4.

5/ Nextel disagrees with Pacific and Nevada Bell's position that the Commission should not have direct oversight authority over the new numbering administrator. See Comments of Pacific and Nevada Bell at 2 ("Pacific Bell"). Pacific Bell appears to be the only company suggesting that the Commission abstain from providing leadership in establishing numbering policies and supervising implementation of those policies by the new NANPA.

NANPA, the Commission runs the risk of perpetuating the current system which allows the industry to implement important numbering policies without Commission involvement. Although Nextel believes that the broadest level of industry participation in the Board is necessary for establishing pro-competitive numbering policies, Nextel also maintains that the Commission must provide critical policy direction to assure the procedurally fair, pro-competitive assignment of numbering resources.<sup>6/</sup>

Finally, an appeals process must be established to prevent the industry from becoming quagmired in contentious issues. A process that provides for direct appeal to the Commission, once all internal procedures have been exhausted and consensus cannot be reached, will ensure that the Commission's important policy goals are not frustrated by conflicts among Policy Board members.<sup>7/</sup> This will prevent deterioration of the decision-making process and guarantee direct Commission involvement and oversight in formulating and implementing important numbering policies.

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<sup>6/</sup> As explained in Nextel's comments, the problems associated with 800 number portability was directly related to the lack of Commission involvement in the implementation process. Only when the Commission took an active role in mandating 800 number portability did the industry respond. Without this impetus it is likely that the industry would still be arguing the highly contentious issues that were raised in the 800 portability debate.

<sup>7/</sup> See also Comments of the National American Telecommunications Association at 5.

**III. THE COMMISSION MUST APPOINT AN INDEPENDENT NANPA AFTER PROVIDING FULL OPPORTUNITY FOR COMMENT BY INDUSTRY PARTICIPANTS.**

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A number of commenters have expressed concern regarding the proposal to appoint the Alliance for Telecommunications Industry Solutions ("ATIS") as the new NANPA.<sup>8/</sup> Although Nextel has no direct experience with ATIS that reveals a LEC-bias, these concerns should not be disregarded. The Commission should select a NANPA that is free from any appearance of partiality. The selection of an independent, non-governmental entity to administer the ministerial functions of the NANP is key to ensuring fair implementation of the Commission's numbering policies.

In furtherance of this goal, Nextel believes that the Commission should permit full industry participation in the selection of an independent non-governmental NANP. Nextel recommends that the Commission issue a Request For Proposal ("RFP") for the Administrator and permit the industry to comment on the qualifications and impartiality of the entities under consideration.<sup>9/</sup> In this way, all industry participants will have the opportunity to comment on the qualifications of NANPA applicants, thereby advancing the integrity of the selection process. Alternatively, if the Commission chooses to delegate the selection function to the

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8/ See e.g. Comments of American Personal Communications at 3-4; Comments of Cellular Telecommunications Industry Association at 3-4; Comments of MFS Communications Corporation at 3-4.

9/ Accord Comments of Teleport Communications Group at 6; Comments of AirTouch Communications at 3; Comments of MCI Telecommunications Corporation at 9.

industry, Nextel urges the Commission to review and ratify the industry's recommendation, considering independently the comments filed by participating parties.<sup>10/</sup>

**IV. THE COMMISSION MUST ESTABLISH A SPECIFIC IMPLEMENTATION PLAN AND TIMETABLE FOR 500 SAC PORTABILITY**

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As indicated in its comments, Nextel is concerned that the Commission's decision to permit the assignment of the 500 SAC, without first establishing a number portability implementation plan, will result in further delay in accomplishing the Commission's portability goals. Intervening events have confirmed the need for full Commission involvement and articulation of its numbering policy goals.

The Industry Numbering Committee ("INC") is the current industry Committee considering the implementation of 500 SAC portability. INC is comprised of a number of diverse interests, with differing opinions regarding the scope and feasibility of portability. Although the INC is in the process of formulating a "migration" plan to 500 SAC portability, it continues to question the nature and extent of the Commission's policy directive regarding number portability. For instance, on May 3, 1994, the Commission granted Bellcore authority to assign the 500 SAC and urged that Bellcore "continue to work with the Industry Numbering Committee to develop an implementation plan that will lead to number portability within the 500 code

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<sup>10/</sup> It is pursuant to this RFP, and in considering various applicants for NANPA, that Bellcore's report regarding its activities, staffing levels and costs will prove invaluable. Unless the Commission has a clear picture of the overhead costs of numbering administration, it cannot rationally select, or create, an entity that can efficiently carry out its obligations.

without the need for further Commission proceedings."<sup>11/</sup> At a recent INC meeting, however, concern was expressed that INC's purpose and scope did not necessarily include the creation of a detailed implementation plan for 500 SAC portability.<sup>12/</sup>

It is exactly this type of miscommunication, misunderstanding and confusion that demands direct Commission involvement. The Commission should provide clear direction to the industry to implement pro-competitive policies such as portability and to establish an implementation plan. Without such direction, industry consensus bodies will likely fail to provide for a swift transition to number portability.<sup>13/</sup>

V. COSTS INCURRED IN NANP ADMINISTRATION SHOULD BE SHARED BY USERS IN PROPORTION TO THEIR USE OF NUMBERING RESOURCES.

Nextel continues to believe that the only equitable method of apportioning the costs of NANP administration is to base charges on the extent to which users of numbering resources benefit from the NANPA's activities. Accordingly, Nextel recommends that all service providers, including LECs, be assessed costs based on

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<sup>11/</sup> See Letter from A. Richard Metzger, Acting Chief, Common Carrier Bureau, to Ronald R. Conners, Director of NANP Administration (dated May 3, 1994).

<sup>12/</sup> Accordingly, with the present system, there is no guarantee that all Committee participants will work toward implementing number portability in the near term. In fact, the requirement that the industry create an implementation plan by consensus provides significant opportunities for delay and discrimination. The INC has already deferred the date upon which it intends to present the Commission with an implementation plan. It is unlikely that this will be the only occasion the timetable is modified.

<sup>13/</sup> See also Comments of Teleport Communications Group, Inc. at 8-9; Comments of Association for Local Telecommunications Services at 5-8.

their actual use of numbering resources. The commenters expressed broad support for this concept.<sup>14/</sup>

Nextel specifically opposes the suggestion of Bell Atlantic that NANP administration costs not be recovered for numbering resources that have already been assigned and that are currently in use.<sup>15/</sup> It is incorrect to assume that because numbers have already been assigned, the NANP Administrator incurs no costs. The on-going management of these numbering resources results in increased costs to the NANP Administrator and, therefore, should be apportioned to all users of numbering resources.

Moreover, a cost recovery method that bypasses the huge pool of embedded numbering resources held by the LECs is grossly unfair and anti-competitive. It would place the complete financial burden of number administration on emerging competitors, thus forcing new entrants to bear a disproportionate share of numbering costs and directly impeding the development of LEC competition. Emerging competitors will be disadvantaged if they must financially support all NANP activities

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<sup>14/</sup> See Comments of Ameritech Operating Companies at 3-4; Comments of Bell South Communications at 10-12; Comments of Cellular Telecommunications Industry Association at 6-7; MFS Communications Corporation at 5-6; Comments of National Association of Regulatory Utility Commissioners at 5; Comments of North American Telecommunications Association at 7-8; Comments of Organization for the Protection and Advancement of Small Telephone Companies at 4-5; Comments of Personal Communications Association at 8-9; Comments of Southwestern Bell Corporation at 6-7; Comments of Teleport Communications Group at 6; Comments of the United States Telephone Association at 8-9; Comments of US West Communications at 6-8; Comments of Vanguard Cellular Systems, Inc. at 12-14.

<sup>15/</sup> See e.g. Comments of Bell Atlantic at 5-6.



that benefit all users of numbering resources. Nextel submits that sharing of administrative costs among all service providers proportionately to their use of NANP resources is the only fair, logical and competitively neutral approach for funding numbering administration.

**VI. CO CODE ASSIGNMENTS SHOULD BECOME A CENTRALIZED FUNCTION OF THE NEW NANP**

In its comments, Nextel advocated that CO code assignments become an additional function of the new NANP Administrator.<sup>16/</sup> Many other commenters also believe that entrusting this function to the new administrator will further the Commission's goal of centralizing numbering administration in an independent entity unaligned with any particular segment of the telecommunications industry.<sup>17/</sup> Transferring CO assignment responsibilities from monopoly LECs to a disinterested entity will not only result in equal, non-discriminatory access to new CO codes, but will lead also to the consistent application of assignment guidelines.<sup>18/</sup>

Accordingly, Nextel recommends that the Commission direct the LECs to assist the new Administrator in fulfilling its CO assignment obligations and that they

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<sup>16/</sup> See Comments of Nextel at 12.

<sup>17/</sup> See Comments of Ad Hoc Telecommunications Users Committee at 6-9; Comments of American Personal Communications at 2-3; Comments of Dean Brothers Publishing Company at 6; Comments of Personal Communications Industry Association at 2.

<sup>18/</sup> It is not surprising that those opposing the transition of responsibility for CO assignments to the new NANP Administrator are entities that would be forced to relinquish control of these valuable resources. See e.g. Comments of Bell Atlantic at 3-4; Comments of NYNEX at 9-11; Comments of Southwestern Bell at 10-13; Comments of Stentor Resource Centre, Inc. at 6-7.

provide all necessary training and technical support needed for efficient transfer of this responsibility.

## VII. CONCLUSION

The Commission has a unique opportunity to establish a new framework for the administration of the NANP. Nextel urges the Commission to (1) require Bellcore to submit a report identifying its activities and administrative costs; (2) establish a Policy Board and provide oversight and direction to the NANPA; (3) appoint an independent NANPA after soliciting comment from the industry; (4) require implementation of 500 SAC portability within a reasonable period; (5) establish a funding mechanism that requires cost sharing in proportion to number use; and (6) centralize CO code assignments functions in the new NANPA. Adoption of these measures will result in fairer numbering administration and will promote competition in the telecommunications marketplace.

Respectfully submitted,


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